



City of Shoreview
Economic Development Authority
4600 Victoria Street North
Shoreview, MN 55126

Phone: 651.490.4612 • Fax 651.490.4699 • www.shoreviewmn.gov

Advantage Shoreview- Business Partnership Loan Program

Program Overview

The City of Shoreview, through the Economic Development Authority (EDA), is making funds available to provide low-interest rate loans to existing Shoreview business owners for the purposes of building expansion and renovation that results in the retention or creation of new employment with the City. The source for the funds comes from expanded tax increment authority which requires all loans to be executed and construction to begin by July 1, 2011 and funds expended by December 31, 2011.

Loan Amount

The EDA will loan up to 30% of the total project cost with a minimum loan amount of \$30,000 and maximum of \$500,000.

Interest Rate:

The interest rate for the term of the loan is 3.0%.

Term

The maximum term for building construction and structural renovations is 15 years.

The maximum term for machinery, equipment, and fixtures is 10 years.

Eligible Properties

Businesses must be located within the City of Shoreview.

Eligible Borrowers

Owners of the property being improved are eligible to apply for funding. Businesses that lease space must have written permission from the building owner for the proposed tenant improvements.

Eligible Projects

Loans for land, building, machinery, equipment and leasehold improvements

Ineligible Projects

Funds may not be used for refinancing existing indebtedness, personal property items, working capital, and previously completed projects.

Loan Security

Personal and/or Corporate Guaranty(s) are required. In order to assist local business with meeting equity requirements and securing private financing, the City will not file a lien and/or mortgage.

Total Project Cost

It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final bill exceeds the original loan amount, the recipient must obtain the additional funds.

Application Processing

Applications will be considered on a first come, first served basis. Applications will then be reviewed and ranked by City staff and the EDA according to the following criteria:

Selection Criteria:

- Projects must generate new sustainable employment opportunities
- Project that provide for job retention, where job loss is demonstrable.
- Projects which are part of an overall expansion project.
- Projects which allow for diversification and introduction of a new product or service.
- Projects that encourage private (re)investment in the community.
- Projects that accomplish other public purposes as determined by the EDA and City Council.

Upon completion of the due diligence process the EDA will approve the businesses to be funded. All loans will be subjected to underwriting criteria. Loans will be expected to close no more than 60 days after final loan approval.

Work Completion

All work must be completed within 180 days of the loan closing. Construction must begin by July 1, 2011.

Disbursement Process:

Payment to the contractor and/or borrower will be made upon completion of work. An inspection will be performed by the City to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final proposal or invoice from contractor (or materials list from supplier)
- Final inspection verification by the City
- Completion certificate(s) signed by borrower and contractor
- Lien waiver for entire cost of work
- Verification that contractor has been paid for any matching portion of improvement

FOR MORE INFORMATION CONTACT

Tom Simonson

Assistant City Manager/Community Development Director

651-490-4612

tsimonson@shoreviewmn.gov

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Advantage Shoreview – Business Partnership Program Application

Company Information			
Borrower's Name	Authorized Signature		Email Address
Company Name	Date Established	SIC Code	Website URL
Street Address	City		State Zip
Type of Business	Type of Entity <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> LLC		

Company Ownership		
Owner Name	Title	Ownership
		%
		%
		%

References		
Bank Name	Account Officer	Phone
Accountant	Firm Name	Phone

Project Information		
Anticipated Project Start Date:		Anticipated Project Completion Date:
Current Employees: FTE: _____ PTE: _____	Retain Employees? <input type="checkbox"/> Yes <input type="checkbox"/> No New Employees? FTE: _____ Wage Scale for new FTE: _____	How many retained? _____ PTE: _____ For new PTE: _____
Describe proposed project and the types of positions added or retained:		

Uses of Funds		Sources of Funds	
Acquisition (Land/Building)	\$	Equity Investment (required)	\$
Building (Construction/Renovation)	\$	Bank Loan	\$
Machinery & Equipment	\$	Advantage Shoreview	\$
Infrastructure	\$	Other:	\$
Soft Costs (fees, Miscellaneous)	\$	Other:	\$
TOTAL PROJECT COSTS	\$	TOTAL PROJECT SOURCES	\$

ADDITIONAL DOCUMENTATION AND CHECKLIST

Applicants are required to provide the following documentation.

Any private financial information will be kept confidential.

- ☐ Articles of Organization and Operating Agreement (if applicable)
- ☐ Partnership Agreement (if applicable)
- ☐ Copy of Sworn Construction Statement including construction bids and/or equipment list
- ☐ Commitment letters and loan documentation from other sources of financing, stating terms and conditions of their participation.
- ☐ Personal and Corporate Guarantees

SIGNATURES

The undersigned certifies that all information provided in this application is true and correct to the best of the undersigned's knowledge. The undersigned authorizes the City of Shoreview to verify financial and other information as needed and agrees to provide any additional information as may be requested by the City after the filing of this application.

Applicant Name _____ Date _____

By _____

Its _____

REMITTANCE

Submit completed application to Tom Simonson, Assistant City Manager/Community Development Director, City of Shoreview, 4600 Victoria Street North Shoreview, MN 55126.